



## **JOHN J. BENOIT**

ASSEMBLYMEMBER, SIXTY-FOURTH DISTRICT

STATE CAPITOL, ROOM 4144

TEL: 916.319.2064

FAX: 916.319.2164

# **AB 2524 – CALIFORNIA GAMBLING CONTROL COMMISSION BACKGROUND CHECKS**

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## **PURPOSE**

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AB 2524 will protect the integrity of the California Gambling Control Commission's activities and reduce the risk of fraud by giving the Commission the authority to receive criminal history information for prospective employees and contractors.

that would perform specified duties to submit fingerprint images;

- Allows the Commission to request criminal background checks for these persons, and
- Allows the Commission's Executive Director to make a final determination of fitness for prospective employees and contractors.

## **SUMMARY**

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The Commission has jurisdiction over cardrooms and the Third Party Proposition Player Services industry, pursuant to State law, as well as responsibilities with regard to Tribal gaming under the Tribal-State Gaming Compacts. The Commission also has fiduciary, regulatory, and administrative duties related to Tribal gaming. Many Commission employees perform duties that require access to confidential information and cash or checks. AB 2524 would reduce the risk of any fraud and hold prospective employees to the same standards in the Gambling Control Act that are used for individuals that are licensed by the Commission. This proposal would add a new section to the Government Code that authorize the Commission to do the following when hiring a prospective employee:

- Authorizes the Commission to require prospective employees and contractors

## **BACKGROUND**

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AB 2524 is based on similar legislation sponsored by the Department of Managed Health Care (DMHC), AB 1517 (Runner), Chapter 339, Statutes of 2005 and the Department of Motor Vehicles (DMV), AB 2075 (Benoit), Chapter 419, Statutes of 2004, that requires specified individuals to receive background investigations based on access to specified information and their job duties. Specifically, DMHC requires background checks on all prospective employees and contractors with access to medical information, while DMV requires background checks for employees that have access to confidential information and cash or checks and employees that make recommendations on approval or denial of licenses.

Other California gaming agencies also require background checks. The Lottery Commission

and the California Horse Racing Board require all prospective employees to receive background checks. In addition, the Bureau of Gambling Control within the Department of Justice (the law enforcement agency for cardrooms, the Third Party Proposition Player Service industry and Tribal gaming) requires background checks on all prospective employees.

Other states' gaming regulatory agencies, including the Nevada Gaming Control Board, New Mexico Gaming Control Board, and Arizona Dept of Gaming, require all employees within their gaming regulatory agencies to submit fingerprints and background information and /or undergo a background investigation. The Washington State Gaming Commission and New York Racing and Wagering Board require fingerprint images and background investigations on agents that will be working at a racetrack or casino. These states all prohibit individuals with felony convictions from working for the gaming agency.

AB 2524 is intended to help protect the confidentiality of information as required under the Gambling Control Act and the Tribal-State Gaming Compacts. Under the Tribal-State Gaming Compacts, all information and records obtained by the Commission from the Tribes are confidential. The Commission is required to exercise "utmost care" in the protecting the confidentiality of "any and all information and documents received from the tribe" and is required to apply the "highest standards" of confidentiality under state law to preserve such information and documents from disclosure. The Tribe may avail itself of any and all remedies under state law for improper disclosure of information or documents. The Gambling Control Act also prohibits the Commission from knowingly disclosing or furnishing the confidential records or information submitted by applicants to any person not authorized under law. Violations are subject to a misdemeanor penalty.

## **SUPPORT**

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California Gambling Control Commission  
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